RESOLUTION NUMBER R- 312044

DATE OF FINAL PASSAGE NOV 3 0 2018

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE EXECUTION OF THE CITY OF SAN DIEGO PUBLIC PURPOSE LEASE WITH THE SAN DIEGO ROWING CLUB AND INTERCOLLEGIATE ROWING CONSORTIUM FOR THE LEASE OF CITY-OWNED PROPERTY IN MISSION BAY PARK.

WHEREAS, The San Diego Rowing Club, a California 501(c)(3) non-profit corporation (SDRC), has been in continuous existence in San Diego for almost 130 years, since 1888; and

WHEREAS, the Intercollegiate Rowing Consortium (Consortium) is a consortium comprised of the University of San Diego (USD) and the University of California San Diego (UCSD); and

WHEREAS, the SDRC and Consortium are hereafter referred to collectively as the "Lessee;" and

WHEREAS, in August 1988, SDRC and the Rowing Council of San Diego entered into a 25-year lease agreement (Original Lease) with the City of San Diego (City) to occupy the Cityowned real property comprised of approximately 1.041 acres of land and approximately 0.03 acres of water located at 1220 El Carmel Place, San Diego, California 92019, in Mission Bay Park (Property); and

WHEREAS, the Rowing Council of San Diego assigned its interest in the Original Lease to the predecessors in interest of the Consortium; and

WHEREAS, under the Original Lease, the Lessee maintains and operates a rowing and paddling facility including boat storage, boat house, club room, locker rooms, weight training

room, and boat launching area; Lessee organizes rowing related activities for its members and guests in Mission Bay, including numerous regattas such as the San Diego Juniors, the San Diego Crew Classic, the Fall Classic, and the Susan G. Komen Row for the Cure; Lessee provides boats, equipment, and support staff for over 800 rowers annually and rental to the public for meetings, weddings, colloquiums, and corporate events; Lessee provides rowing opportunities for injured or disabled veterans through the Wounded Warriors program and supports a rowing program for Cathedral Catholic High School; and Lessee houses the men's and women's crew teams for UCSD and USD, which are comprised of over 250 collegiate athletes; and

WHEREAS, in 1989, the Lessee built an approximately 17,000 square feet rowing center comprised of six boat house bays, a club house room, outside storage facilities, a concrete launch apron extending to the sand, and landscaped the City's adjacent parking area at an approximate cost of \$2,140,000; and

WHEREAS, the Original Lease expired on July 31, 2013, and is currently in holdover status; and

WHEREAS, in 2013, the Lessee approached the City with the request for exclusive lease negotiations for a new lease agreement; and

WHEREAS, in May 2015, the Smart Growth and Land Use Committee authorized exclusive negotiations with the Lessee for a new lease; and

WHEREAS, City staff and the Lessee have negotiated a proposed new lease in accordance with City Council Policy 700-08, with the following terms to continue the current uses of the Property: an initial term of 10 years, with two options to extend the term for 10 years and five years, respectively, for a total term of 25 years; rent equal to 33 1/3% of the average

total annual commercial square feet rent paid for leases in Mission Bay, with the Consortium exempt from payment of rent in accordance with City Council Policy 700-08; and as additional consideration for the new lease, Lessee will invest approximately \$850,000 in capital improvements and maintenance to the leasehold improvements during the term of the lease; and

WHEREAS, the market value of the real estate subject to this new lease, as appraised by City staff, is \$465,000; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the Mayor, or his designee, is authorized and directed to execute the City of San Diego Public Purpose Lease, with The San Diego Rowing Club and the Intercollegiate Rowing Consortium, a consortium comprised of the University of San Diego and the University of California San Diego, which is on file in the Office of the City Clerk as Document No. RR
312044

, for the lease of City-owned real property comprised of approximately 1.041 acres of land and approximately 0.03 acres of water located at 1220 El Carmel Place, San Diego, California 92019, in Mission Bay Park.

APPROVED: MARA W. ELLIOTT, City Attorney

By

Hilda R. Mendoza
Deputy City Attorney

HRM:nja 09/18/18

Or. Dept: READ Doc. No.: 1838538

meeting of NOV 1 3 20	8
	ELIZABETH S. MALAND City Clerk
	By Lindarburn Deputy City Clerk
Approved: (date)	KEVIN L. FAULCONER, Mayor
Vetoed:(date)	KEVIN L. FAULCONER, Mayor

Passed by the Council of The	e City of San Diego on _	NOA T 3 501B		, by the following vote:	
Councilmembers	Yeas	Nays	Not Present	Recused	
Barbara Bry	$ ot\!$				
Lorie Zapf	Z				
Chris Ward	Z				
Myrtle Cole	Z				
Mark Kersey					
Chris Cate	Z Z				
Scott Sherman	Z				
David Alvarez	$ \mathcal{P} $				
Georgette Gomez	$\overline{\mathbb{Z}}$				
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Date of final passage	NOV 3.0.2018				
approved resolution was r	eturned to the Office of	the City Cle		ANT GOVER	
AUTHENTICATED BY:		<u>KEVIN L. FAULCONER</u> Mayor of The City of San Diego, California.			
AUTHENTICATED BT.			ELIZABETH	IS. MALAND	
(Seal)		City	Clerk of The City	of San Diego, California.	
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